The A. F. of L. Weekly News Service gives news stories and editorial interpretations of matters affecting labor according to the industrial, legislative, and judicial fields, and contains other information of benefit to the trade union movement.

AMERICAN FEDERATION OF LABOR

WEEKLY NEWS SERVICE

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SAVE FOOD—Help Relieve Famine Abroad

WHOLE NO. 1841 WILLIAM GREEN, President WASHINGTON, D. C., TUESDAY, JULY 23, 1946 GEORGE MEANY, Secretary-Treasurer VOL. 36, NO. 30

LABOR, USA

Washington, D. C.—The third edition of the American Federationist of the Air, broadcast on the "Labor, USA" program over the American Broadcasting Company network, included the following outstanding feature articles to supplement the news:

Peace, Perhaps

By GEORGE MEANY
Secretary-Treasurer of the AFL

In the frank reports made to the American people this week by Secretary of State Byrnes and Senator Vandenberg, the same blunt conclusion stands out—world peace can be achieved if only Russia will behave.

The facts of Soviet misbehavior since the war ended cannot be challenged—they are a matter of record. Step by step she has deliberately extended her dictatorial domain by force, or by unilateral action, over Poland, eastern Germany, Czecho-Slovakia, the Balkan nations and Iran. In addition, she has assumed an aggressively anti-democratic position in Eastern Asia.

While professing vigorously against a hypothetical "western bloc," the Stalin Government has set up a chain of satellite states reaching from the North Sea to the Pacific Ocean.

These actions cannot be squared with the principles of the Atlantic Charter, to which Russia subscribed, nor can they be justified on the ground of self-defense. There is not the slightest evidence, real or imaginary, of any threat against Russian security by any nation since the end of the war ended. On the contrary, the democratic nations, led by the United States, have extended substantial assistance to Russia in power reconstruction and have sincerely pledged themselves to live in peace and friendship with the Soviet Union.

Why, then, is Russia acting as she is? One possible answer is that Soviet officials hope the American people will become disgusted with international squabbling and decide to retreat in the prewar isolationism, abandoning American interests in maintaining world peace.

American labor insists that this must not happen. The price of isolationism is war and the American people have determined never to pay that bitter price again.

The final question is—how can we prevail upon Russia to behave and cooperate for world peace? Certainly not by appeasement. The record of the international negotiations to date shows that every time we yield a point, Russia, instead of playing ball, comes up with additional demands. The appetite for power is never appeased by partial surrender.

Nor can we refrain from speaking out against oppression for fear of making matters worse. Such an argument is in the face of manifest evil is an accessory to the crime. History proves the futility of trying to correct wrong by refusing to expose it.

Our only practical course, therefore, is to fight just as hard and uncompromisingly for an equitable and democratic peace as Russia is fighting for her own unattainable ends. We believe our delegates to the forthcoming European Peace Conference to be tough—tougher than Russia—in defense of the principles of freedom and justice for which our people fought and produced and sacrificed during the war.

Future of the Atomic Bomb

By MARION HEDGES
Research Director, Int'l Brotherhood, Electrical Workers

Labor feels a strong sense of responsibility for the future of the atomic bomb because American workers helped to create it. Many thousands of AFL members, responding to the call of their Government, left their homes and went into wilderness areas and wartime factories to help build the plants and power houses, wired the buildings, produced the bombs and faithfully kept the secret. The War Department, when it publicly announced the terrible fact of the atomic bomb, officially commended the AFL unions and their members for their hard work and steadfast loyalty.

Now that we have the secret locked up, the application of atomic energy for peaceful uses have become the key factors in world security. It is therefore of the utmost importance, not only for American workers but for all people across the face of the earth, that we find a way to control, or even whether this modern Frankenstein shall destroy the human race or lift it to new levels of prosperity.

One thing is certain—we cannot ignore the atomic bomb. Many persons would like to take this course. They would like to forget its existence in the hope that it will thereby cease to exist. But that is a ruinous policy of blind fear which is only exceeded by those who take it for granted that the atomic bomb spells the inevitable doom of civilization.

Labor refuses to surrender to fear. We are not afraid of the discovery of atomic energy. We welcome it as one of the great milestones in man's technological progress.

Instead of becoming the instrument for the extinction of mankind, we insist that the atomic bomb can be used to abolish war and to safeguard permanent peace. Toward that end, we support the United States Government's policy that all uranium deposits be placed under international control. We hope and believe that by such joint action of the nations of the world, no country will be able to manufacture atomic bombs in secret and that no country will dare to start a new war for fear of swift retaliation.

At the same time we urge the development of atomic energy at home be placed in civilian hands under proper safeguards, so that it can be developed for the benefit of all the people of our country and not be exploited for the enrichment of a few.

This great potential of power must be used to lighten the labors of the people. It can usher in a new industrial revolution which will provide a richer and more enjoyable life for human beings everywhere, with security against want and fear.

Report on Germany

By JOSEPH KEENAN
Labor Adviser to Gen. Clay in American Occupied Zone

I have just come back to this country after serving five months with the American military government in Germany. I am happy to report that we are making definite progress in restoring a working economy in the occupied territory on a democratic basis.

The task faced by the American Military Government at the close of the war was a staggering one. In our zone we found ruin everywhere—ruin as complete and so extensive that only an eyewitness could believe it. More than 70 percent of all homes and industrial plants had been blasted into wreckage.

Not was the destruction merely physical. The people we had to deal with appeared mentally at sea. Many of them in the higher brackets of German society couldn't understand what had happened to them. They saw no hope, no future. They seemed to trust or believe no one and were only trying to help themselves. It is difficult to talk peace to human beings who are starving on a diet of 1,100 calories a day, or to get cooperation from the sick and dying.

But we set to work. We started with the simple task of clearing the debris standing had to be reopened and jobs had to be found for the unemployed. My assignment was to revive the pre-Hitler, free and democratic trade union movement and to encourage the growth of a truly democratic and free German labor. Our military leaders, from General Eisenhower down, considered this of the highest importance.

Naturally, I found no unions functioning. Hitler had wiped them all out as his first step after seizing power. We searched in hiding places and in concentration camps and found a few labor leaders who were still officials of them in their cities. Gradually we won their confidence and now they are cooperating with us. On April 12 we held a historic trade union conference with leaders who hadn't been seen each other for thirteen years and worked out plans for amalgamation of sectional unions into national organizations.

Today industry is functioning to a limited extent in the American zone and the unions are getting back on their feet. We are encouraging small business and keeping the lid down on basic industries which have military potentialities, so as to prevent future aggression.

Our greatest handicaps are the artificial barriers which prevent trade and materials flowing between our zone and those occupied by the French, British and Russians. It is of the utmost importance that the Big Four reach an agreement to open up trade between the various zones.

The common people in Germany, to whom I have talked are fed up with war. They are equally fed up with totalitarianism in any and all forms. They realize that military occupation of their land will have to be continued for perhaps fifteen years. They look to America for help and guidance and cooperation.

RENT CLIMB LIMITED

San Francisco, Calif.—Although OPA rent controls no longer exist, California law provides that landlords must give tenants legal notice before raising rents. Legislative bodies in this city and other communities in California have passed ordinances limiting the increase in rent to 15 per cent over the levels in effect June 30 of this year. This legislation was necessary after OPA rules were repealed.

BUILDING PAY RISES

Detroit—The following wage increases were reported by the Detroit Building Trades Council for the last week:

For 7,000 construction laborers in the Detroit area, a 12½-cent hourly boost to $1.375, a 25-cent increase over getting a 10-cent boost to $1.25 and air and electrical test operators a $1.50 hourly boost to $1.62.

For carpenters a 7½-cent raise to $1.50 hourly, a 25-cent jump to $1.75.

State Dept. Grants Appeal By AFL To Assist German Trade Unions

Washington, D. C.—Through the intervention of the American Federation of Labor, the reconstituted German trade union movement, suppressed by Hitler, is now receiving the official encouragement and active assistance from American occupation authorities.

AFL President William Green today made public correspondence with Secretary of State Byrnes, Under-Secretary Acheson and Lieut. Gen. Lucius D. Clay, Deputy Military Governor of the American-occupied zone in Germany, which tells the story of how the AFL helped the anti-democratic German trade unions since the AFL Executive Council appealed to President Truman in their behalf several months ago.

On June 18, Mr. Green wrote to the State Department that "lack of equipment is seriously handicapping the revival of the German trade union movement." He asked that the former property of the unions, confiscated by Hitler, be returned to them and that army surplus supplies be made available to the union organizations. He inclosed a list of the most urgently needed items, including office and printing supplies and automobiles for transportation.

Replying for the State Department, Under-Secretary Acheson said:

"The Department has consistently subscribed to and actively supported the principle of encouraging the reestablishment of democratic trade unions in Germany, and has been alert in their operations by furnishing them from available supplies with whatever relief material is available to facilitate their activities. In this connection, your suggestion as to the possibility of making available to German trade unions some of the surplus property still held by the United States for disposal in Germany is a helpful one. It has been brought to the attention of the officials in the Army immediately concerned with this problem."

The letter from General Clay gave more specific information on American-German relations with labor unions and said the union leaders "have more liberty of thought and action than at any time since the Nazis took over," in view of their experiences with the Nazi regime. His letter to Mr. Green follows:

"Recently it has come to my attention that you and other leaders of the American Federation of Labor are concerned in restoring property and rights to German trade union members. I therefore would like to review some of the more pertinent recent developments affecting labor organization in our zone as I believe that the information which you have received may not be fully up to date and, in any event, does not reveal our plans in this field.

"The staff members who are in constant contact with the German trade union situation have informed me that the leaders have expressed sincere gratitude for the encouragement and cooperation which they are receiving in planning their early activities of rebuilding the German labor organizations. They state that trade union leaders feel that they have had all the liberty of expression and action required to govern their legitimate activities. Indeed, some of them have stated that in view of their experience under the Nazi regime they have more liberty of thought and action than they know what to do with. If there is any contrary information, it has not been brought to our attention.

"I am sure you will also be interested in knowing that Office of Military Government for Germany (U. S.) has definitely decided and is now implementing the decision to turn over to the regularly constituted trade unions all DAF, 'Labor Front,' properties formerly belonging to German Labor Organizations.

"Realizing that a trade union movement, like any other, in its infancy needs a medium of communication in order to maintain effective contact with followers and sympathizers, Office of Military Government for Germany (U. S.) has licensed a weekly trade union publication. We would gladly have given permission for the issuance of a daily, but we were informed by the responsible trade union leaders that a weekly publication would best serve their purposes and would be more within their present range of abilities.

"We are also arranging to give German labor organizations access to the use of radio as soon as fully trained operators which they may need in order to communicate their thoughts and other information to their followers and the public at large."

Green Condemns Enemies of Labor For Drives Against Union Gains

Chicago.—Scorching condemnation of anti-labor forces in Congress, State Legislatures and other branches of government, and the "unholy alliance" of certain labor unions in the crucial reconversion period, was voiced by AFL President William Green here.

Addressing the convention of the International Association of Theatrical Stage Employees (AFL), Mr. Green singled out particularly the so-called American-American Activities Committee for Constitutional Government, spearheads in the drive against organized labor.

The Christian-American group began its activities several years ago in the South, Mr. Green said, by stirring its appeals on hate and prejudice, "proving itself neither Christian nor American. Its money-raising and race-baiting distributing methods became so shocking that the Attorney General's office was called on the FBI to investigate the organization."

The fruits of this group's activities, Mr. Green said, were seen in the adoption of Constitutional amendments in Georgia and Arkansas and a ban closed shop contracts between union and employers—measures still awaiting action in Texas.

Turning to the Committee for Constitutional Government, Mr. Green said that group "has been systematically tracking of anti-labor falsehoods and lobbying for a reactionary revision of the National Labor Relations Act which would nullify its magna charter."

They also fought for the repeal of the Norris-LaGuardia Act which protects labor against Government by injunction, and for the Wagner Act prohibiting closed shop contracts. At the same time, the advertisements contained appeals for contributions ranging from $1 to $100 to finance the committee's anti-labor propaganda.

"I do not believe for one moment that the American people will permit Government depends on such small contributions for its support. I have reason to believe that the unholy alliance sponsorship of wealthy financial angels, certain newspaper publishers, Frank Gannett and the millionaires Senator Moore of Arkansas.

"It is apparent that such vicious reactionary organizations and individuals write its laws? Are the millions of unorganized workers going to have the election of members of Congress and members of State Legislatures who do the bidding of such organizations?

"These are vital questions which you must answer in this convention and which the American Federation of Labor will answer at its national convention next October."

The record of the present Congress, Mr. Green said, "is disgraceful" and had on domestic issues that it merits the unreserved condemnation of the American people. He particularly attacked the reluctance to hold price controls.

"The action of the Senate in voting to end price controls on the production of food which are essential to the nation's diet came as a startling shock to the American people. It constituted a complete surrender to the demands of special interests and a dangerous repudiation of the public welfare.

"It seems incredible that the Congress of the United States should deliberately expose our national economy to disastrous inflation after so many years of holding the line, at great sacrifice, in the belief that Congress should abandon that line only a few short months before further controls would no longer be necessary.

"I speak as one who firmly opposes permanent price controls over our economy. I believe now and I always have advocated that price controls should be instituted as an aid as emergency shortages are wiped out.

"Existing shortages were created by the war and the aftermath of war. They are rapidly being met as our industrial machine gears to peace time gear. Inflation thrives on shortages, but collapses with full production.

"Until such time as we are facing among many American workers to retaliate against profiteering and

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AMERICAN FEDERATION OF LABOR
WEEKLY NEWS SERVICE
SUPPLEMENT

SAVE FOOD—Help Relieve Famine Abroad

WILLIAM GREEN, President — WASHINGTON, D. C., FRIDAY, JULY 26, 1946 — GEORGE MEANY, Secretary-Treasurer

Truman Appeals to House Leaders For Long-Term Housing Measure

Washington, D. C.—President Truman appealed to administration leaders in the House for action before adjournment on the Wagner-Ellender-Taft Bill providing for a long-term housing program. This measure has been mired vigorously by the AFL.

The Presidential appeal for passage of the bill was contained in separate letters to Speaker Sam Rayburn of Texas, Majority Leader John W. McCormack of Massachusetts and Rep. Brent Spence, chairman of the House Banking Committee.

The legislation was approved by the Senate several weeks ago. Housing Expediter Wilson W. Wyatt told reporters that effective lobbying has kept the bill in the House committee.

President Truman's letter to Speaker Rayburn:

"Dear Sam:

"Representatives of groups have waited upon me and members of my Administration inducing me to urge the early passage of S. 1592, the general housing act of 1946, which is essential to provide houses at costs and rentals within the reach of the majority of veterans.

"On repeated occasions I have not only expressed myself as favorable to the legislation, but requested its speedy enactment. I have today written Chairman Spence of the House Banking and Currency Committee urging the earliest practicable consideration of the measure.

"I trust that you will exert your very best efforts in bringing about immediate consideration of this legislation, which is so essential to the welfare of the veteran and housing generally."

To Representative McCormack:

"Dear John:

"I am enclosing a copy of a letter which I have today written to Chairman Spence of the Banking and Currency Committee, which I believe is self-explanatory.

"I urge you to exert your best efforts to see that this legislation, vital to the veteran and housing generally, is given the earliest practicable consideration. Time is truly of the essence."

To Chairman Spence:

"Dear Mr. Chairman:

"I urge upon you and your committee the earliest practicable action on S. 1592, the general housing act of 1946, which is essential to the over-all housing program and particularly necessary at this time to make effective the veterans' emergency housing program.

"The veterans' emergency housing program involves two equally important matters: (1) to speed the production of building materials and finished homes, which is being done under the veterans' emergency housing act of 1946, and (2) to make sure that these houses are made available in sufficient volume at sales prices or rentals which the majority of our veterans and their families can afford, which cannot be achieved without passage of S. 1592.

"It is my considered judgment that S. 1592 is urgently needed. I am confident that if this bill reaches the floor the Congress, recognizing the need and the equity of adequate housing for the veteran, will pass it without question.

"Time is of the essence. I therefore urge again the earliest practicable action on this matter by you and your committee."

YOUR TAXES AND MINE

This is the third of a series of 12 articles on tax problems affecting every person in the Nation, written by the AFL Research Director, Arthur J. Elder, tax consultant of the AFL's Tax Committee and a vice president of the American Federation of Teachers.

A Limit on Income Taxes?

By ARTHUR A. ELDER

A proposed amendment to the U. S. Constitution to put a limit of 25% on the income tax that the federal government may collect from any individual.

This is called "tax relief." For whom is it relief? Obviously, only for the taxpayers in the upper income brackets. What is to be done when their taxes are cut so sharply, the only way to make up for the loss is to put even more of the burden on the lower income groups.

This proposal, then, is designed to shift the burden from the upper to the lower brackets.

It is in direct violation of the well-established tax policy that rates should be established according to ability to pay.

The state legislatures that are approving this proposal are riding for an awful fall. Apparently they have forgotten the depression years. If they were begging the federal government for more and more financial aid. If those days return, the federal government will have to be able to levy high income taxes if it is to meet the needs.

Not only are they helping cut off a source of help they will probably need in the future, but they are helping produce the depression that will make that need acute.

When the people in the upper brackets are relieved of taxes, that fact does not increase the amount of goods and services they buy. It does not increase the number of jobs. It does not increase the number of workers employed. It does not increase the number of hours worked. It does not increase the wages paid. It does not increase the purchasing power of the people.

What it does do is to increase the amount of money that the people in the upper brackets have to pay higher taxes, they can't buy as many goods and services as before, and certainly not as many as they need. That means that higher taxes in the upper brackets reduce production and start the nation toward unemployment and depression.

Half America's Families Receive Less Than $2,000

Washington, D. C.—Nearly half of America's families have incomes below $2,000 a year, and two out of three of them receive less than $3,000, it was revealed in a joint survey of the Federal Reserve Board and the Bureau of Agricultural Economics.

The figures represent the combined income of all members of each family who lived on 1945 income before taxes. As 1945 was a record year for individual income, the data on average is believed to be less than shown in the survey.

About one in 10 families had pooled incomes of $4,000 to $7,000, and only one in each 20 or 25 had more, totaling more than $7,500.

These findings supplemented earlier announced results showing the mass of American families and no substantial amount of liquid or other able assets and two out of every five averages less than $400 each in saving bonds, other securities and bank deposits.

The new report showed the financial condition of the families which contributed the Median, or middle-group, in each income bracket as follows:

Under $1,000—Median income, $600; Median assets in savings bonds, other securities and bank deposits, $30.

$1,000-$1,999—Median income, $1,500; median assets, $200, $2,000-$2,999—Median income, $2,400; median assets, $470. $3,000-$3,999—Median income, $3,500; median assets, $900. $4,000-$4,999—Median income, $4,399; median assets, $1,450. $5,000-$7,499—Median income, $5,800; median assets, $2,700.

$7,500 and up—Median income $10,000 and $7,270, median assets.

$76,721 NEW HOMES

Washington, D. C.—Wilson W. Wyatt, Housing Expediter and Administrator of the National Housing Agency, has announced that a total of $76,721 new dwelling unit apartments were authorized for construction with priorities assistance during the Veterans Emergency Housing Program from January 15 through June 30.

7 AFL UNIONS TO FORM MARITIME COUNCIL

Washington, D. C.—Leaders of seven international unions affiliated with the American Federation of Labor have accepted invitations to attend a meeting in Chicago to set up a Maritime Council within the AFL.

The meeting will be held while the AFL Executive Council, which authorized such a maritime organization, is in session here. The council session is in Chicago. The executive group will open its session August 12.

The organizations which have accepted bids to the conference are the Seafarers, Longshoremen, Masters, Mates and Pilots, Brotherhood of Railway Clerks, Union of Operating Engineers, Brotherhood of Firemen and Oilers and the Commercial Telegraphers Union of North America.

STORE WORKERS GRANTED SAN FRANCISCO PAY RISE

San Francisco.—Vote of the Department Store Employes' Union (AFL), by a margin of 8 to 1, to accept a general $4.50 weekly wage raise, was announced here. Basic wage provisions of the agreement retroactive to May 1, 1946, will remain in effect until May 1, 1947, and will be open for discussion.

Settlement of the dispute was effected on joint recommendations of Mayor Roger D. Lapham, Governor Earl Warren and the special committee of the San Francisco Labor Council.

STORES ON FIVE DAYS

Washington, D. C.—Several stores in this city and in Baltimore have been operating five-day, 40-hour week for some time. Recently certain department stores in Chicago, Detroit, Milwaukee, Cleveland and other large cities installed a year-round five-day, 40-hour week for employes with most of them stores were weekly salaries reduced on account of the shorter workweek. Some of these stores' departments stores adopted this policy as early as 1940.

Flogging Victim's Friends Vote Union Despite KKK

Gordon, Ga.—Marking a notable victory in the AFL campaign to organize the South, employes of the Gordon Clay Co. voted 375 to 80 to join Local 233 of the Ceramic, Tile and Gypsum Workers' Union in an election held by the National Labor Relations Board.

The election came after a campaign by AFL organizers in view of the fact that the company had stoutly resisted efforts to unionize its workers. The anti-union activities came to a climax when one employe, Willie Dudley, Negro, was kidnapped and flogged recently by four men, who identified themselves as Klansmen, because he refused to resign from the union.

The incident evoked a scathing denunciation by AFL President William Green, who, terming it "cowardly and un-American," immediately authorized Anthony Dorgan, director of the AFL southern campaign, to lodge a formal protest with Governor Arnall of Georgia, and intimated he would submit the matter to the Federal Bureau of Investigation for inquiry.

Fast on the heels of Mr. Green's protest, the company announced it would not further resist efforts of its workers to join the union and the drive for membership took on fresh impetus.

The reports of the kidnapping and flogging, submitted to Mr. Green by Boyd Wilson Schoonover, president of the International Union, and Felix C. Jones, business representative of the Union's District Council No. 5, said that on June 7 two employes of the company, identified as N. E. Kinchen and B. F. Hunnicutt, visited Dudley at his home and demanded in vain that he sign a notarized resignation from the union. Early on the morning of June 9, he was taken from his work by four masked men who handcuffed him, handcuffed him, carried him away and beat him with rubber hose.

National Health Program Is Urged After 3-Year Study By Senate Group

Washington, D. C.—The United States is in grave need of a national health program based on a system of insurance against illness, a Senate Labor Subcommittee reported after a three-year study of national health requirements.

The group told the Senate that the 40% rate of physical disqualifications from war service should prove a "costly lesson." It strongly urged a national program financed by private contributions to the social security fund and by payments from general tax revenues.

Its findings documented with tables, charts and official statistics, the committee report based the need for a postwar American family spent $100 a year for medical care, and that rural families received much less medical aid than those in urban areas.

Four of a national health program, as urged by the AFL and provided under the Wagner-Murray-Dingell Bill, immediately assailed the subcommittee report as "propaganda for national health insurance."

However, the report revealed that families with under $1000 annual income averaged 11.6 days of illness yearly, but received an average of only 2.2 doctor and clinic calls. Families with $2,000 and over averaged 7.6 days of illness, but received but 6.7 sick-days and received between 3 and 5.5 doctor visits.

Disabling illnesses lasting a week or more for those with less than $1000-a-year received made up 22% of the cases in families under $1000 in yearly income, but only 11% in the $1000-and-up bracket.

The report said that at present only 2.5% of the American people are covered by comprehensive medical care plans designed to include the entire home, hospital and office and hospital service. Another 10% have part of their doctor's bills paid and part of hospitalized illness only, whereas another 15% have their hospital bills covered. Thus, only 25% of the nation is given even partial prepaid care.

As for commercial health and accident insurance policies, the report said about 8 million persons are covered by group agreements in 1944 and there were principally hospital and surgical. Commercial outfits paid out only 40% of their receipts in 1943 to individual sickness and accident policy holders, because of what the report terms "high expense loadings"—administrative and promotional costs.

The people who most need the protection of whatever prepaid systems are now available are not getting it, the report said.

Among rural families, the percentage at all income levels belonging to some form of prepaid medical care group is well below 5%. Urban dwellers are less than 10% enrolled in the income bracket below $1000; 16% at $1500-$2000, but 30% at $3000-$5000. Above that, they can probably pay for their needs.

The report said America does not "rank at the head of the list in any of the major health indexes . . . but even if we did, it would not excuse our health failings. Even before modern medicine had reached its present level of complexity and specialization the lee-for-service plan failed to meet the nation's health needs." Now, it said, it inhibits the full use of modern preventive medicine since it forces most people to wait until they are seriously ill before going to a doctor."

The cost of a compulsory prepaid medical care system, the report said, "will not be greater than that of our present inefficient and wasteful fee-for-service system." According to leading experts the charge to the average family under a national health insurance program will actually be less than it pays now, partly because the government and the employer will both contribute to the fund. It is noteworthy that the labor organizations, all of whose members are wage earners, are among the staunchest supporters of national health insurance."

Green Group Opposes U. S. Policy Of Aiding Chinese Communists

Washington, D. C.—ALF President William Green of the American Federative Americans called upon the State Department to cease its policy of "pressuring" the Chinese Government into making further concessions to the Chinese Communists.

Charging that the Chinese Communists are "a disciplined organ of Moscow," the Green group sent Secretary of State Byrnes, which was delivered to the State Department by a committee of five, including Joseph J. Watt, AFL international representative, Harold Kohlberg of New York and Ray Ott, spokesman for the delegation, said:

"We fear that the present American policy, if successful," said the letter, "will lead to the setting up of a coalition government in Poland and Yugoslavia) in making China a satellite of Russia. It will have as a changed the open door for an iron curtain. In this case the United States will face, across the ever-vexatious Pacific, a military empire of 950,000,000 people controlled by the dictator in the Kremlin."

Dr. Wellington Koo, Chinese Ambassador to the United States, at a press conference here refused to say whether he thought the Chinese Communists were influenced by Moscow, but added that he had noted a change in the attitude of Russia toward the Nationalist government in the last year.

The expressed policy of the United States is to help the Chinese to establish peace in China through a coalition government in which the Communists would have a share, although such American aid does not assist either side in civil strife against the other.

"The entire record of the Chinese Communists is one of broken pledges and consistent bad faith to China and to the world, but of consistent loyalty and obedience to Moscow," the Green letter said. "This bad faith, which became so apparent to Ambassador Hurley, and on numerous occasions to General Wedemeyer, ought now to be reported to General George C. Marshall."

WASHINGTON FEDERATION TO BUY RADIO STATION

Seattle, Wash.—Delegates to the annual convention of the Washington State Federation of Labor, meeting here, instructed their officials to buy a radio station to combat anti-labor propaganda now prevalent over broadcast networks. The session was attended by 500 delegates, the largest number in several years.

The convention endorsed extension of the 40-hour week, the drive to cut down accidents off the job, as well as a five-day week for State employes. The Building Trades Section reported that the carpenters had negotiated a five-day workweek with practically all building contractors in the State, boosting their scale in many cases by $1 an hour. This marked also a 10-cent hourly increase over the wages in adjoining States, it was said.

HAM ANTI UNION DRIVE IN HIGH SCHOOLS BARED

Detroit.—Charges that the National Association of Manufacturers is spreading anti-CIO propaganda through the public schools to defeat price control were made by Publisher Lloyd Dinkelspiel and Vice President Irving Kaufman of the American Federation of Teachers (AFL).

"High-powered NAM speakers," he declared, "have appeared in America high schools expounding subtle but effective anti-labor and pro-NAM propaganda. Recent publications of the manufacturers and circulated widely among teachers contain clever cartoons aimed at organized labor. Union members are ridiculed and ashamed that many non-union workers are being duped and used to undermine the welfare of workers in their classes and of those children's parents."

Truman 'Reluctantly' Signs Crippled OPA Extension Bill

Green Sees Grave Danger If Cost Climb Continues

Washington, D. C.—Expressing sincere disappointment over the emasculated OPA extension bill, AFL President William Green served grave warning on American business and industry that they must cooperate to maintain stable conditions "or face inevitable chaos."

In a statement issued following President Truman's signature of the new legislation, Mr. Green said:

"The American Federation of Labor is deeply disappointed by the inadequate new price control law passed by Congress and reluctantly approved by President Truman.

"This law is rigged to force higher prices all along the line. It is bound to increase the cost of living. It is certain to lower the purchasing power of the dollar.

"The crucial aspect of the situation is that now rigid wage controls will be restored under the Wage Stabilization Board. American workers will be compelled to fight frozen wages while prices rise.

"Unless industry and business exercise more self control than they have to date and voluntarily hold the line on prices, conditions may become insupportable to labor. Unrest will spread and a new strike wave may hit the nation.

"I have repeatedly appealed to all unions affiliated with the American Federation of Labor to conduct themselves with restraint and self-discipline and to refrain from any interruption of production because the sooner production is raised high enough to meet demand, the sooner all Government controls, on wages as well as prices, can be dropped.

"I now warn American industry and business that they must cooperate to maintain stable conditions or face inevitable chaos."

Ranks of Women at Work in June Rise Have Million Over May Figure

Washington, D. C.—The number of women employed in June increased nearly half a million over the figure for May, it was reported by the Women's Bureau of the Labor Department.

Strange as it may seem, too, there also was an increase in the number of unemployed women. This paradox was explained by the bureau, which pointed out that summer normally sees an increase in seasonal workers and that there are more workers in the market when schools are not in session.

The bureau reported there are 53,750,000 women in this country 14 years of age or over; 20,710,000 are employed, an increase of 450,000 over May; 859,000 are unemployed, an increase of 140,000 over May. It set the number in the armed forces at 210,000, a decrease of 70,000 since May, and listed nonworking women at 32,420,000, a drop of 560,000.

Meanwhile the bureau, on request of representatives from minimum wage states, is working toward a new cost-of-living budget for working women for minimum wage purposes. The first meeting in June of a Joint State-Federal Committee reviewed use of current budgets, followed by plans of States in devising defensible budgets, varieties of theories used in constructing budgets and proposed new techniques as developed by the Bureau of Labor Statistics. Problems on individual budgeting, such as clothing, food, and housing, were discussed as well as methods for pricing the new type budget. The committee, whose representatives from California, Utah, Minnesota, Ohio, Connecticut, and three non-Federal consultants. No report on the committee's work will be available for several months.

Jobless Benefit Payments Drop Throughout Nation

Grand Rapids, Mich.—Claims for unemployment benefits are decreasing throughout the country, Ewan Clague, director of the Unemployment Insurance Bureau of the Social Security Administration, told the annual convention of the Michigan State Federation of Labor.

Under the unemployment insurance program, insured unemployment reached a high point of 1,912,000 in the week ending May 18, 1946. For the week ended May 18 it was down to 1,491,000, and for the week ended June 15 to 1,297,000, Clague said.

Michigan, too, insured unemployment has declined until by the end of June it was down to a level of about 87,000."

Michigan, he told the convention, was the first hit and hardest hit by unemployment immediately following the surrender of Japan. In the week ended September 8, 1945, no fewer than 144,000 persons in Michigan were covered by Michigan's unemployment insurance law were filing claims for benefits, a total of one out of every seven.

"In the months that followed," he said, "successive waves of unemployment spread to other States. By the middle of the winter, high ratios of unemployment existed in California, Washington and Oregon on the West Coast, New Jersey, Connecticut and Rhode Island on the East Coast, and Oklahoma and Arkansas in the Mid-dle West. Other States also were affected to some extent.

"There has been a vast amount of labor migration since the end of the war, just as there was an exceptional amount of it during the war. Many workers are going back to their former homes; many are going where there is a chance of good new opportunities; and, of course, many are remaining in the war centers they have come to like in the past few years.

"In our unemployment insurance system, a worker can file a claim for unemployment benefits anywhere in the country. His claim will be considered by any State in which he has benefit rights. Michigan is one of the States having the highest proportion of interstate claims. In March, 1946, there were 40,000 interstate claims filed in other States against the State of Michigan—an average of about 10,000 a week. These claims were filed by former Michigan workers living in Kentucky, Tennessee, California, Arkansas and other States, and many other States. Michigan is not the only State situation—California, Oregon, Washington, Maryland, and other war-industry States have similar situations.

"Now that reconversion is substantially over, the outlook is for further declines in the payment of unemployment benefits in the months, and perhaps in the years, ahead."

MILLION VETS EMPLOYED IN MANUFACTURING PLANTS

Washington, D. C.—The Bureau of Labor Statistics reports that of the 14 industry groups which average more than 50,000 workers each, 12 groups employed approximately half of the 2,000,000 veterans holding jobs in manufacturing plants. These veterans comprise a ratio of about one out of every six factory employes.

This proportion was better than one out of every five employes in the automobile, petroleum products, chemical and rubber industries, which represented almost as high a proportion in paper and allied products, machinery (except electrical), and in the rubber products group.

SECURITY TAX IS FROZEN BY HOUSE VOICE VOTE

Washington, D. C.—By voice vote, the House approved legislation to freeze, through 1947, the social security old-age and survivors' insurance tax at its present rate of one per cent each for employes and employers. This action was taken, despite vigorous AFL opposition, to prevent the tax from rising automatically to 2½ per cent next January.

5,000 TRANSIT WORKERS IN CHICAGO GET RAISE

Chicago.—An hourly increase of 18 cents for 5,000 employes of the Chicago Rapid Transit Co., who operate the city's surface lines, was awarded here was approved by the U. S. District Court here.

The increase launched a legal battle over a two-cent raise in fares, which the company instituted when the Amalgamated Street Electric Railway and Motor Coach Employes (AFL) first made its demands. The Federal Transportation Corporation of the fare boost was unnecessary. Refusal of the company to end the fare to 10 cents was upheld in the Circuit Court.

HOUSE VOTES TO RETURN USES TO STATES NOV. 15

Washington, D. C.—A Senate proposal to return the United States Employment Service to the States November 15 was approved by the House on a voice vote. The House measured in other Senate changes in the measure, however, and their differences probably will have to be ironed out in conference. The legislation is contained in the $1,110,312,670 labor and Federal security appropriation bill.

Legislation Restores Pay Control While Costs Climb

Washington, D. C.—President Truman signed a compromised OPA extension bill "reluctantly" and at the same time warned Congress in a 2,000-word message that it fell "far short" of what he had sought and that he may be compelled to call a special session if the law doesn't halt inflation.

The revised measure was a severe blow to American labor, in that it restores strict wage controls while prices of many items continue to soar.

"If it appears that all the efforts of the Government and the people will not be enough under the present legislation, I shall have no alternative but to call the Congress back into special session to strengthen the price-control laws and to enact such fiscal and monetary legislation as we need to save us from the threat of economic disaster," he told Congress.

Immediately upon signing of the measure, a proclamation ending many OPA rent regulations as of June 30, when price controls lapsed, was issued by OPA Administrator Paul Porter.

The decree, invoking rent controls in 520 rental areas and adding eight new areas to the list, was the first of some 142 orders granting higher ceilings on specific items and removing other commodities from price controls entirely.

Porter, after a conference with the President, issued a brief statement declaring:

"I will do its best to make this bill work, and we think that it will work." He added that "decisions on specific problems will be announced as rapidly as possible."

Expressing deep disappointment at the curtailed powers of OPA under the new law, President Truman told Congress that it was not legislation under which the Government could assure the Nation with full confidence that prices would remain generally stable "in these last few months of the transition to a free economy."

He said he was advised, however, that it was the best bill that Congress would pass and "it is clear, moreover, that it is a better bill than the one I was forced to veto on June 29."

The bill had become law, he stated, "inflation would have been inevitable. While it is true that measure by no means guarantees that inflation can be avoided, it offers a sufficient chance of success to warrant the making of a wholehearted effort to keep our economy on an even keel and to stave off a flood of goods makes further controls unnecessary."

The fact that prices and rents have "steadily and ominously" risen during the price control hiatus demonstrates, Mr. Truman said, "that the continuance of effective price control is a vital necessity to our people."

However, he added, the present legislation makes the task of staving off inflation "even more difficult than it has been in the past."

Clothing prices, in particular, he said, will be "a serious problem" as such prices of some other commodities. "It is particularly unfortunate that many of these increases result from concessions to special interests and pressures, rather than the adoption of principles designed to expand production within a stable price structure."

All price ceilings and other orders of the OPA will be kept in effect until 30 were automatically restored except:

1. Ceilings on meat, poultry, eggs, dairy products, grain and feed, soybeans, petroleum, petroleum and its products, and tobacco and its products; and

2. The maximum average price order which required clothing manufacturers to turn out a certain proportion of low-priced goods.

The OPA will be required, however, to raise every quantity of clothing 60 days and to change some of its former practices.

The measure lays down a formula under which ceilings on many manufactured goods must be increased, and establishes a decontrol board with authority superior in some respects to that of the OPA.

The new law requires OPA to fix ceilings which would reflect 1940 average industry-wide prices on each product, plus cost increases which have occurred since that time.

Industry advisory committees must take the first step toward any price relief. They may petition OPA to submit "comprehensive" cost information which would underlie petitions for price increases. The OPA has 30 to 60 days after receipt of such information to grant or deny a petition.

If the OPA fails to act within this time, the industry could take its petition to the emergency court of appeals for a ruling. This is a special court set up under the price control bill to hear complaints against OPA regulations.